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USTR ANNOUNCES RESULTS OF SPECIAL 301 OUT-OF-CYCLE REVIEWS

United States Trade Representative Charlene Barshefsky today announced the outcome of Special 301 out-of-cycle reviews for El Salvador and Italy, as well as resolution of Trade-Related Aspects of Intellectual Property Rights (TRIPS) implementation concerns in Poland and Ireland. Ambassador Barshefsky also recognized steps by the Bahamas to strengthen its copyright protection. "Special 301" reviews examine the adequacy and effectiveness of intellectual property protection in certain countries.

<u>Italy</u> was moved from the Priority Watch List to the Watch List.

Ambassador Barshefsky praised the Government of Italy for its passage last summer of a new anti-piracy law that significantly strengthens the penalties for theft of intellectual property rights, and for its willingness to work with industry representatives and U.S. officials on programs to educate the judiciary and the public regarding the importance of vigilant protection of intellectual property. "Passage of this tough new legislation sends an important message that Italy will severely penalize piracy," said Ambassador Barshefsky. "We expect the Italian Government to strictly enforce this new law in a manner that reduces the availability of pirate and counterfeit goods."

El Salvador was not placed on the Watch List.

"We are encouraged by the steps the Government of El Salvador has taken in recent months to improve its protection of intellectual property, including increased raids against software pirates and invigorated efforts to bring its intellectual property laws into compliance with the TRIPS agreement," said Ambassador Barshefsky. "Nonetheless, software piracy in El Salvador remains

a serious problem, and it is vital that El Salvador maintain this new momentum and reduce current levels of piracy."

Poland was moved from the Priority Watch List to the Watch List.

Ambassador Barshefsky is encouraged by Poland's efforts to bring into effect important new amendments to its copyright law. "These changes correct a critical deficiency in Poland's copyright legislation, which previously failed to protect recordings produced before 1974 and left Poland in violation of the TRIPS agreement," said Ambassador Barshefsky. "While we believe this is an important step, it is critical that Poland also address remaining intellectual property problems, including weak enforcement against piracy and counterfeiting."

Ireland was removed from the Watch List.

Ambassador Barshefsky praised Ireland's recent adoption of new copyright legislation. "These new laws bring Ireland into compliance with TRIPS by making penalties for copyright infringement stiff enough to deter piraters," said Ambassador Barshefsky. "Passage of this vital new legislation permits us to remove Ireland from the Special 301 Watch List."

The Bahamas (no Special 301 listing)

The Commonwealth of the Bahamas recently assured the U.S. that it would amend its copyright law to eliminate provisions that create a compulsory license for unauthorized re-transmissions by cable television systems of any copyrighted work transmitted over its territory, including encrypted transmissions. Such provisions violate the Bahamas' obligations under the Berne Convention. The Bahamas also agreed to revise its copyright law so that Internet transmissions are likewise not subject to compulsory licenses. "We are pleased that the Bahamas has agreed to prohibit unlicenced re-transmissions of television broadcasts," said Ambassador Barshefsky. "This step helps to promote a sound environment for the protection of intellectual property in the Bahamas."

Background:

The "Special 301" provisions of the Trade Act of 1974, as amended, require the USTR to identify foreign countries that deny adequate and effective protection of intellectual property rights or fair and equitable market access for U.S. persons that rely on intellectual property protection. Special 301 was amended in the Uruguay Round Agreements Act to clarify that a country can be found to deny adequate and effective intellectual property protection even if it is in compliance with its obligations under the TRIPS Agreement. It was also amended to direct the USTR to take into account a country's prior status under "Special 301," the history of U.S. efforts to achieve stronger intellectual property protection, and the country's response to such efforts.